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HB 13 Hazardous Waste and Nonhazardous Solid Waste Fee and Tax Amendments

Utah Code §§19-6-118, 59-25-103 **Effective Date March 3, 2004**

This bill modifies the provisions relating to hazardous waste and treated hazardous waste disposal fees and the tax on hazardous waste facilities and nonhazardous solid waste facilities.

1. Terminates the \$28 per ton fee on hazardous waste effective April 1, 2004;
2. Reinstates a \$14 per ton fee on treated hazardous waste effective April 1, 2004; and

Effective January 1, 2004, terminates the gross receipts tax on hazardous waste facilities and nonhazardous solid waste facilities that meet the state treatment standards required for land disposal at the facility or when the waste is no longer hazardous at the time of disposal at the facility.

HB 36 Management, Enhancement, and Funding of 911 System

Utah Code §§53-10-601 through 53-10-606, 63-55-269, 69-2-5, 69-2-5.6, and repeals 53-10-503
Effective Date July 1, 2004 and July 1, 2006

Effective July 1, 2004, a 13-cent state fee per line per month will be imposed on telephone services for unified statewide E-911 emergency services. At the same time, local governments are authorized to increase the local levy on telephone services for 911 emergency services from a maximum of 53 cents per line per month to a maximum of 65 cents per month.

Effective July 1, 2006, the 13-cent state E-911 emergency service fee will be reduced to 8 cents.

A supplemental detail schedule (TC-29Q) is filed electronically with the Tax Commission on a monthly basis.

HB 145 Approval Required for Disposal of Radioactive Waste

Utah Code §§19-3-105, 59-24-103.5 **Effective Date March 23, 2004**

Imposes a new tax on radioactive waste equal to 10% of the gross receipts of a radioactive waste facility derived from the disposal of mixed waste received from a non-governmental entity and that contains a higher radionuclide concentration level than the mixed waste received by any radioactive waste facility in the state prior to April 1, 2004.

This bill also requires any person who wants to own, construct, modify, or operate a radioactive waste facility to obtain prior approval from local government authorities, the governor, and state legislature.

HB 189 Tobacco Compliance Amendments

Utah Code §§59-14-408, 59-22-202, 59-22-203, 59-22-308 **Effective Date May 3, 2004**

1. Requires tobacco manufacturers to provide the Tax Commission with an updated list of cigarette brands sold for consumption in this state 30 days prior to any addition or modification of a brand.

2. Expands compliance certification to include nonparticipating manufacturers: any tobacco product manufacturer who does not participate in the Master Settlement Agreement is now required to establish and maintain a Qualified Escrow Fund and execute an escrow agreement that governs the fund.

3. Provides the Tax Commission with the option of creating a rule that requires tobacco manufacturers not participating in the Master Settlement Agreement to make escrow deposits in quarterly installments during the year in which the sales covered by the deposits are made; and

4. Authorizes the Tax Commission to recover tobacco enforcement costs.

HB 239 Sexually Explicit Business and Escort Service Tax

Utah Code §§59-26-101 through 59-26-108 **Effective Date July 1, 2004**

Imposes the Sexually Explicit Business and Escort Service Tax.

A sexually explicit business means a business where a nude or partially nude individual performs any service for profit, regardless of whether the individual is an employee or an independent contractor. An escort service means any person who furnishes or arranges for an escort to accompany another individual for companionship and profit.

The taxes imposed on a sexually explicit business include 10% of the amounts paid or charged by the business for the following transactions:

- admission fees,
- user fees,
- retail sales of tangible personal property,
- sales of food and food ingredients or prepared food,
- sales of any beverage, and
- any services.

The taxes imposed on an escort service include 10 percent of the amounts paid or charged by the business for escort service.

These taxes are in addition to any applicable sales tax charged, but the new taxes may not be imposed on any sales and use tax collected.

The revenue generated by the tax will be deposited into a special fund for various treatment programs and task forces dealing with sex offenders.

HB 279 Counterfeit Tobacco Products

Utah Code §§59-14-102, 59-14-201 through 59-14-205, 59-14-209, 59-14-211, 59-14-213, 59-14-204.5, 59-14-207.5, 59-14-207.6 **Effective Date July 1, 2004**

Prohibits issuing or maintaining a cigarette license if any combination of people owning more than 10% of the ownership interests in the applicant:

1. has been convicted of knowingly selling, receiving, or smuggling counterfeit cigarettes;
2. is neither a participating manufacturer, nor a nonparticipating manufacturer who is not in compliance with escrow provisions;
3. has imported cigarettes into the U.S. in violation of federal law; or
4. has imported, or manufactured for distribution in the U.S., cigarettes that do not meet federal labeling standards;

Requires a cigarette importer and manufacturer located in the state to have a Utah cigarette license.

Provides that cigarettes purchased by tribal members on tribal lands are not subject to the tax, and cigarettes purchased by nontribal members on Indian lands are subject to the state tax less any tribal tax paid.

Provides penalties for sale or possession of counterfeit cigarettes.

HB 312 Nonparticipating Tobacco Manufacturer's Fee

Utah Code §§59-14-213, 59-14-214 **Effective Date July 1, 2004**

This bill levies an equity assessment of 1.75 cents per cigarette on nonparticipating tobacco product manufacturers to which a stamp is affixed in addition to current cigarette taxes; and designates cigarettes in violation of this section as contraband goods.

SB 76 Revisions to Royalty on Brine Shrimp

Utah Code §§59-23-3, 59-23-4, 59-23-5 **Effective Date February 1, 2004**

This bill imposes a brine shrimp royalty of \$550,000 each taxable year for the harvest of unprocessed brine shrimp eggs for taxable years beginning on or after February 1, 2004. The taxable year begins February 1 and ends on January 31 of the following year.

Individual harvesters will pay a proportionate share of the \$550,000 based on their share of the total volume of the harvest. If no unprocessed brine shrimp eggs are harvested during a taxable year, the brine shrimp royalty is not imposed.

The Tax Commission will determine the royalty rate for a taxable year by dividing the total annual royalty amount by the total gross volume of unprocessed brine shrimp eggs harvested during that taxable year. The brine shrimp royalty will be paid to the Tax Commission by the person who harvests the unprocessed brine shrimp eggs. The royalty is due on the April 30 immediately following the last day of the taxable year.

Natural Resources will receive volume information from harvesters on or before the February 15 immediately following the last day of a taxable year; Natural Resources will send this information to the Tax Commission by March 1; and the Tax Commission will bill the harvesters by March 30 immediately following the last day of a taxable year.

SB 195 Taxation of Multi-Channel Video or Audio Service

Utah Code §§59-12-102, 59-12-103, 59-26-101, 59-26-102, 59-26-103, 59-26-104, 59-26-105, 59-26-106, 59-26-107, 59-26-108, 59-26-109, 59-26-110 **Effective Date July 1, 2004**

Effective June 30, 2004, the amounts paid or charged for multi-channel video or audio service are no longer subject to sales and use tax.

Effective July 1, 2004, a state tax of 6.25% is imposed on the amounts paid or charged for multi-channel video or audio service.

Multi-channel video and audio service providers include:

- cable operators
- CATV providers
- multi-point distribution providers
- MMDS providers
- SMATV operators
- direct-to-home satellite service providers
- DBS providers